

US DEPARTMENT OF LABOR

Office of Workers' Compensation Programs
PO Box 566
201 Varick Street - Room 750
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(212) 337-2075

FILE COPY

File Number: [REDACTED]
RE: STEPHEN J. FEIN

P14
loc - FIL
DRP
JB 9/22/97

September 18, 1997

Honorable Peter T. King
Member of Congress
1003 Park Boulevard
Massapequa Park, New York 11762

Dear Congressman King:

I am writing in reply to your letter of September 11, 1997 concerning the workers' compensation claim of your constituent, Mr. Stephen J. Fein.

Mr. Fein appears to be referring to "locality pay", which Federal employees receive, and which varies according to the areas they reside in. However, compensation recipients do not receive these increases, nor do they receive the same salary increases as those who are still employed. Under the Federal Employees' Compensation Act (FECA), benefit recipients receive Consumer Price Index (CPI) increases, if and/or when mandated by Congress. These CPI increases are not equal to salary increases for Federal employees, nor are they effective on the same dates. These increase have, in fact, been higher than the salary increases of Federal employees many times.

FECA payments for wage loss are based on an injured employee's pay rate as of either (1) the date of injury; (2) the date disability began; or (3) the date disability recurred, if more than six months after the first return to full-time duty. The injured employee then receives either 66 and 2/3% or 75% of the appropriate pay rate (tax free), depending on whether he/she has any dependents. If an employee was receiving "locality pay" as of the effective pay rate date, then it would be included in his/her pay rate for compensation purposes.

It appears, from Mr. Fein's September 10, 1997 letter, that he is appealing to you as a member of Congress to enact legislation to amend the FECA. This Office merely administers the FECA as mandated by Congress. It has no power to change those mandates.

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I hope that this responds to your inquiry. If we may be of further assistance, please do not hesitate to contact me.

Sincerely,

KENNETH D. HAMLETT
Regional Director

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